Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 06-44

Released: January 10, 2005

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF NATIONAL MOBILE COMMUNICATIONS CORP., D/B/A SOVERNET, TO ATLANTIC TELE-NETWORK, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-358

Comments Due: January 24, 2006

Reply Comments Due: January 31, 2006

On December 27, 2005, National Mobile Communications Corp., d/b/a SoVerNet ("NMC" or "Transferee"), filed an application pursuant to sections 63.03 and 63.04 of the Commission's rules¹ seeking authority to transfer control of NMC to Atlantic Tele-Network, Inc. ("ATN").²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules because this proposed transaction would result in ATN (and its affiliates) having a market share in the interstate interexchange market of less than 10 percent, and NMC will continue to provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to this transaction. In addition, neither NMC nor ATN is dominant with respect to U.S. domestic telecommunications service.³

NMC is a corporation organized under Massachusetts law that offers domestic intrastate and interstate telecommunications services in Vermont, its primary market. NMC is also

¹ 47 C.F.R §§ 63.03, 63.04; see 47 U.S.C. § 214.

Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

³ 47 C.F.R. § 63.03(b)(2)(iii).

licensed in New Hampshire, but does not currently serve any customers within that state. NMC is wholly-owned by SoVerNet, Inc., a Vermont holding company.

ATN, a Delaware corporation, is publicly traded on the American Stock Exchange under the symbol "ANK," and is a telecommunications services provider. Neither ATN nor any of its affiliates provides domestic telecommunications services to New Hampshire or Vermont at present. Cornelius B. Prior, a U.S. citizen who is the Chairman of ATN, owns 59.14% of ATN. ATN owns SoVerNet Holding Corporation ("SoVerNet Holdings"), a Delaware corporation that, in turn, wholly-owns ATN VT Sub, Inc., a Vermont corporation, through which the proposed transaction will be consummated

Pursuant to the Agreement and Plan of Merger executed on December 21, 2005, ATN will attain over 95% of the ownership interest and control of NMC, through the merger of ATN VT Sub, Inc., with and into SoVerNet, Inc. Post-merger, SoVerNet, Inc. will continue as the surviving corporation. Upon completion of the transaction, NMC will continue to be whollyowned by SoVerNet, Inc., which, in turn, will be wholly-owned by SoVerNet Holdings. At the time of the merger, SoVerNet Holdings will issue common stock to a new, minority shareholder such that, post-close, ATN will hold 96% of the common stock and 100% of the preferred stock of SoVerNet Holdings, and the new shareholder will hold the remaining 4% of the common stock of SoVerNet Holdings. No other person or entity will own a 10% or greater ownership interest in NMC under the Commission's ownership attribution rules. Closing is contingent upon receipt of all necessary regulatory approvals, among other things.

Applicants state that the proposed transaction will serve the public interest, convenience and necessity because it will allow increased availability and competition in the provision of domestic telecommunications services. They further state that the proposed transfer of control does not involve any assignment of authorizations or change in the carrier providing services to customers, and will thus be transparent to customers. Additionally, the Applicants assert that the pro-competitive benefits of the proposed transaction will place NMC on firm financial footing, preserve competition, and will not be diminished by anticompetitive effects. According to Applicants, no competitors would be eliminated from any market for telecommunications services as a result of the proposed transaction, and neither the Applicant nor any of its affiliates control or hold substantial interest in any dominant telecommunications carrier.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments on or before January 24, 2006 and reply comments on or before January 31, 2006.⁴ Unless otherwise notified by the Commission, Applicants are permitted to transfer the

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⁴ See 47 C.F.R. § 63.03(a).

assets and related control on the 31st day after the date of this notice.⁵ Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: tracey.wilson-parker@fcc.gov;
- (3) Alex Johns, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C317, Washington, D.C. 20554; e-mail: alexis.johns@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Alex Johns at (202) 418-1167.